

Form **990****Return of Organization Exempt From Income Tax**

OMB No 1545-0047

**1994****This Form is  
Open to Public  
Inspection**

Under section 501(c) of the Internal Revenue Code (except black lung benefit trust or private foundation) or section 4947(a)(1) nonexempt charitable trust

Department of the Treasury

Note: The organization may have to use a copy of this return to satisfy state reporting requirements

Internal Revenue Service

A For the 1994 calendar year, OR tax year period beginning <b>JULY 1</b> 1994, and ending <b>JUNE 30</b> 19 <b>95</b>		D Employer identification number <b>25-1481622</b>		
B Check if: Change of address Initial return Final return Amended return (required also for state reporting)		E State registration number		
C Name of organization <b>ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION</b> Number and street (or P. O. box if mail is not delivered to street address) <b>AHERF TAX DEPARTMENT, 320 EAST NORTH AVENUE</b> City, town, or post office, state, and ZIP code <b>PITTSBURGH, PA 15212</b>		F Check <input type="checkbox"/> if exemption application is pending		
G Type of organization <input checked="" type="checkbox"/> Exempt under section 501(c)(3) (insert no.) OR <input type="checkbox"/> section 4947(a)(1) nonexempt charitable trust				
Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Sch. A (Form 990).				
H(a) Is this a group return filed for affiliates?		I If either box in H is checked "Yes," enter four-digit group exemption number (GEN) <b>N/A</b>		
(b) If "Yes," enter the number of affiliates for which this return is filed:		J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)		
(c) Is this a separate return filed by an organization covered by a group ruling?				
K Check here <input type="checkbox"/> if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if it received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.				
Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.				
<b>Part I Statement of Revenue, Expenses, and Changes in Net Assets or Fund Balances</b>				
R e v e n u e	1 Contributions, gifts, grants, and similar amounts received:	1a		
	a Direct public support	1b	23,108,310	
	b Indirect public support	1c		
	c Government contributions (grants)			
	d Total (add lines 1a through 1c) (attach schedule - see instructions)	1d	23,108,310	
	(cash 23,108,310 noncash )	2	16,567,443	
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	3		
	3 Membership dues and assessments (see instructions)	4	9,367,162	
	4 Interest on savings and temporary cash investments	5		
	5 Dividends and interest from securities	6a		
E x p e n s e s	6a Gross rents	6b		
	b Less: rental expenses	6c	0	
	c Net rental income or (loss) (subtract line 6b from line 6a)	7		
	7 Other investment income (describe)	(A) Securities	(B) Other	
	8a Gross amount from sale of assets other than inventory	8a	23,437	
	b Less: cost or other basis and sales expenses	8b		
	c Gain or (loss) (attach schedule)	8c	23,437	
	d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d	1,038,437	
	9 Special events and activities (attach schedule - see instructions):	9a		
	a Gross revenue (not including of contributions reported on line 1a)	9b		
N e t A s s e t s	b Less: direct expenses other than fundraising expenses	9c	0	
	c Net income or (loss) from special events (subtract line 9b from line 9a)	10a		
	10a Gross sales of inventory, less returns and allowances	10b		
	b Less: cost of goods sold	10c	0	
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	11	1,039,865	
	11 Other revenue (from Part VII, line 103)	12	51,121,217	
	12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	13	55,433,171	
	13 Program services (from line 44, column (B) - see instructions)	14	13,840,114	
	14 Management and general (from line 44, column (C) - see instructions)	15	0	
	15 Fundraising (from line 44, column (D) - see instructions)	16		
16 Payments to affiliates (attach schedule - see instructions)	17	69,273,285		
17 Total expenses (add lines 16 and 44, column (A))	18	(18,152,068)		
18 Excess or (deficit) for the year (subtract line 17 from line 12)	19	150,846,594		
19 Net assets or fund balances at beginning of year (from line 74, column (A))	20	(876,488)		
20 Other changes in net assets or fund balances (attach explanation)	21	131,818,038		
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)				

For Paperwork Reduction Act Notice, see page 1 of the separate instructions.

(D323)

Form 990 (1994)

Form **2758**  
(Rev. July 1993)  
Department of the Treasury  
Internal Revenue Service

**Application for Extension of Time To File  
Certain Excise, Income, Information, and Other Returns**

OMB No. 1545-0148  
Expires 5-31-95

File a separate application for each return.

Please type or print. File the original and one copy by the due date for filing your return. See instructions.	<b>Name</b> <b>ALLEGHENY HEALTH, EDUCATION &amp; RESEARCH FOUNDATION</b> Number and street (or P. O. box number if mail is not delivered to street address) <b>AHERF Tax Department, 320 East North Avenue</b> City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>Pittsburgh PA 15212</b>	<b>Employer ID number</b> <b>25-1481622</b> <b>Apt. or suite number</b>
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**Note:** Corporate income tax return filers must use Form 7004 to request an extension of time to file. Partnerships, REMICs, and trusts (except those filing Form 990-T) must use Form 8736 to request an extension of time to file.

1 An extension of time until May 15, 1996, is requested to file (check only one):

<input type="checkbox"/> Form 706GS(D)	<input type="checkbox"/> Form 990-T (401a/408a trust)	<input type="checkbox"/> Form 1042-S	<input type="checkbox"/> Form 6069	<input type="checkbox"/> Form 8831
<input type="checkbox"/> Form 706GS(T)	<input type="checkbox"/> Form 990-T (trust not above)	<input type="checkbox"/> Form 1120-ND (4951)	<input type="checkbox"/> Form 8612	
<input checked="" type="checkbox"/> Form 990 or 990EZ	<input type="checkbox"/> Form 1041 (estate)	<input type="checkbox"/> Form 3520-A	<input type="checkbox"/> Form 8613	
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 8725	
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1042	<input type="checkbox"/> Form 5227	<input type="checkbox"/> Form 8804	

If the organization does not have an office or place of business in the United States, check this box ☐

2a For calendar year 19\_\_ or other tax year beginning July 1, 1994 and ending June 30, 1995

b If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3 Has an extension of time to file been previously granted for this tax year? ☒ Yes ☐ No

4 State in detail why you need the extension.  
**ADDITIONAL TIME IS NECESSARY**  
**TO GATHER INFORMATION REQUIRED TO FILE A COMPLETE AND ACCURATE RETURN**

5a If this form is for Form 706GS(D), 706GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. \$ 0

b If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ 0

c Balance due. Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required. See instructions. \$ 0

**Signature and Verification** **RECEIVED SERVICE DIVISION**

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature *Susan M. Kirsch* Title Director Date 2/5/96

**FILE ORIGINAL AND ONE COPY. The IRS will show below whether or not your application is approved and will return the copy.**

**Notice to Applicant - To Be Completed by the IRS**

☒ We HAVE approved your application. Please attach this form to your return.

☐ We HAVE NOT approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to your return.

☐ We HAVE NOT approved your application. After considering the reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.

☐ We cannot consider your application because it was filed after the due date of the return for which an extension was requested.

Other: 387

**021496**  
**PSC PHILA., PA**  
Date: 2/5/96

**Director** *Susan M. Kirsch* By *[Signature]*

If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent.

Please Type or Print	<b>Name</b> <b>SUSAN M. KIRSCH, AHERF, TAX DEPT.</b> Number and street, (or P. O. box number if mail is not delivered to street address.) <b>320 EAST NORTH AVENUE</b> City, town, or post office, state, and ZIP code. For a foreign address, see instructions. <b>PITTSBURGH PA 15212</b>
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Form 2758 (Rev. 7-93)

For Paperwork Reduction Act Notice, see back of form.

Form **2758**  
 (Rev. July 1993)  
 Department of the Treasury  
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 Certain Excise, Income, Information, and Other Returns**

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File a separate application for each return.

Please type or  
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 original and one  
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Name  
**ALLEGHENY HEALTH, EDUCATION & RESEARCH FOUNDATION**  
 Number and street (or P. O. box number if mail is not delivered to street address)  
**AHERF Tax Department, 320 East North Avenue**

Employer ID number  
**25-1481622**  
 Apt. or suite number

City, town or post office, state, and ZIP code. For a foreign address, see instructions.  
**Pittsburgh PA 15212**

Note: Corporate income tax return filers must use Form 7004 to request an extension of time to file. Partnerships, REMICs, and trusts (except those filing Form 990-T) must use Form 8736 to request an extension of time to file.

- 1 An extension of time until February 15, 1996 is requested to file (check only one):
- |   |   |  |                                    |                                    |
|---|---|--|------------------------------------|------------------------------------|
| <input type="checkbox"/> Form 706GS(D)                | <input type="checkbox"/> Form 990-T (401a/408a trust) | <input type="checkbox"/> Form 1042-S         | <input type="checkbox"/> Form 6069 | <input type="checkbox"/> Form 8831 |
| <input type="checkbox"/> Form 706GS(T)                | <input type="checkbox"/> Form 990-T (trust not above) | <input type="checkbox"/> Form 1120-ND (4951) | <input type="checkbox"/> Form 8612 |                                    |
| <input checked="" type="checkbox"/> Form 990 or 990EZ | <input type="checkbox"/> Form 1041 (estate)           | <input type="checkbox"/> Form 3520-A         | <input type="checkbox"/> Form 8613 |                                    |
| <input type="checkbox"/> Form 990-BL                  | <input type="checkbox"/> Form 1041-A                  | <input type="checkbox"/> Form 4720           | <input type="checkbox"/> Form 8725 |                                    |
| <input type="checkbox"/> Form 990-PF                  | <input type="checkbox"/> Form 1042                    | <input type="checkbox"/> Form 5227           | <input type="checkbox"/> Form 8804 |                                    |

If the organization does not have an office or place of business in the United States, check this box ☐

2a For calendar year 19    or other tax year beginning July 1, 1994 and ending June 30, 1995

b If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3 Has an extension of time to file been previously granted for this tax year? ☐ Yes ☒ No

4 State in detail why you need the extension. **ADDITIONAL TIME IS NECESSARY**  
**TO GATHER INFORMATION REQUIRED TO FILE A COMPLETE AND ACCURATE RETURN**

- 5a If this form is for Form 706GS(D), 706GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. \$ 0
- b If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ 0
- c Balance due. Subtract line 5b from line 5a. Include your payment with this form, or deposit with **RECEIVED**  
**FEDERAL DISTRICT COURT**  
 coupon if required. See instructions

**Signature and Verification**

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature Susan M. Kirsch, CPA Title Director Date PA 11/8/95

FILE ORIGINAL AND ONE COPY. The IRS will show below whether or not your application is approved and will return the copy.

Notice to Applicant - To Be Completed by the IRS

☒ We HAVE approved your application. Please attach this form to your return.

☐ We HAVE NOT approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to your return.

☐ We HAVE NOT approved your application. After considering the reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.

☐ We cannot consider your application because it was filed after the due date of the return for which an extension was requested.

Other:

By Susan M. Kirsch Date PA 11/8/95

If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent.

Please  
 Type  
 or  
 Print

Name  
**SUSAN M. KIRSCH, AHERF, TAX DEPT.**  
 Number and street, (or P. O. box number if mail is not delivered to street address.)  
**320 EAST NORTH AVENUE**  
 City, town, or post office, state, and ZIP code. For a foreign address, see instructions.  
**PITTSBURGH PA 15212**

Form 2758 (Rev. 7-93)

For Paperwork Reduction Act Notice, see back of form.

**APPROVED  
 3-MONTH EXTENSION  
 GRANTED**

Form 990 (1994)

## ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDA 25-1481622

Page 2

**Part II** Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See instructions.)

Do not include amounts reported on line 5b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) STATEMENT 4 (cash \$ 42,901,623 noncash \$ )	22 42,901,623	42,901,623		
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc.	25			
26 Other salaries and wages	26 49,692,981	23,613,604	26,079,377	
27 Pension plan contributions	27			
28 Other employee benefits	28 (8,697,520)	(4,132,974)	(4,564,546)	
29 Payroll taxes	29 11,994,536	5,699,683	6,294,853	
30 Professional fundraising fees	30			
31 Accounting fees	31 853,165	405,415	447,750	
32 Legal fees	32 1,979,836	940,798	1,039,038	
33 Supplies	33 3,685,863	1,751,485	1,934,378	
34 Telephone	34 280,106	133,104	147,002	
35 Postage and shipping	35 495,698	235,551	260,147	
36 Occupancy	36 2,750,484	1,307,002	1,443,482	
37 Equipment rental and maintenance	37 6,721,016	3,193,759	3,527,257	
38 Printing and publications	38 378,718	180,438	199,280	
39 Travel	39 2,586,423	1,229,042	1,357,381	
40 Conferences, conventions, and meetings	40 246,086	116,938	129,148	
41 Interest	41			
42 Depreciation, depletion, etc. (attach schedule)	42 4,073,811	1,935,834	2,137,977	
43 Other expenses (itemize): a	43a			
b STATEMENT 5	43b (50,670,541)	(24,078,131)	(26,592,410)	
c	43c			
d	43d			
e	43e			
f	43f			
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44 69,273,285	55,433,171	13,840,114	0

**Reporting of Joint Costs.** Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs \_\_\_\_\_; (ii) the amount allocated to Program services \_\_\_\_\_; (iii) the amount allocated to management and general \_\_\_\_\_; (iv) the amount allocated to fundraising \_\_\_\_\_

**Part III** Statement of Program Service Accomplishments

(See instructions.)

What is the organization's primary exempt purpose?

Provision of management, legal, financial and information systems

All organizations must describe their exempt purpose achievements. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

services to tax-exempt affiliates.

**Program Service Expenses**

(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others.)

a STATEMENT 6

(Grants and allocations \$)	42,901,623	55,433,171
b (Grants and allocations \$)		
c (Grants and allocations \$)		
d (Grants and allocations \$)		
e Other program services (attach schedule)	(Grants and allocations \$)	55,433,171
f Total of Program Service Expenses (should equal line 44, column (B), Program services)		

Form 990 (1994)

ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDAT 25-1481622

Page 3

**Part IV Balance Sheets**

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.		(A) Beginning of year	(B) End of year
<b>Assets</b>			
45 Cash - non-interest-bearing		0 45	5,549,072
46 Savings and temporary cash investments		20,946,794 46	1,506,580
47a Accounts receivable	47a 2,860,016	13,802,267 47c	2,860,016
b Less: allowance for doubtful accounts	47b		
48a Pledges receivable	48a	0 48c	0
b Less: allowance for doubtful accounts	48b	0 49	
49 Grants receivable			
50 Receivables due from officers, directors, trustees, and key employees (attach schedule)		0 50	
51a Other notes and loans receivable (attach schedule)	51a	2,056,847 51c	0
b Less: allowance for doubtful accounts	51b	0 52	0
52 Inventories for sale or use		1,270,736 53	3,742,916
53 Prepaid expenses and deferred charges		101,656,425 54	79,199,651
54 Investments - securities (attach schedule) STATEMENT 7			
55a Investments - land, buildings, and equipment: basis	55a		
b Less: accumulated depreciation (attach schedule)	55b	0 55c	0
56 Investments - other (attach schedule) STATEMENT 7		1,510,704 56	39,085,528
57a Land, buildings, and equipment: basis	57a 35,956,201	13,946,046 57c	25,702,641
b Less: accumulated depreciation (attach schedule) STATEMENT 8	57b 10,253,560	8,816,364 58	53,125,719
58 Other assets (describe STATEMENT 7)		164,006,183 59	210,772,123
59 Total assets (add lines 45 through 58) (must equal line 75)			
<b>Liabilities</b>			
60 Accounts payable and accrued expenses		12,542,110 60	24,096,279
61 Grants payable		0 61	0
62 Support and revenue designated for future periods (attach schedule) STATEMENT 9		0 62	618,230
63 Loans from officers, directors, trustees, and key employees (attach schedule)		0 63	0
64a Tax-exempt bond liabilities (attach schedule)		0 64a	0
b Mortgages and other notes payable (attach schedule)		0 64b	0
65 Other liabilities (describe STATEMENT 9)		617,479 65	54,239,576
66 Total liabilities (add lines 60 through 65)		13,159,589 66	78,954,085
<b>Fund Balances or Net Assets</b>			
Organizations that use fund accounting, check here <input checked="" type="checkbox"/> and complete lines 67 through 70 and lines 74 and 75 (see instructions).			
67a Current unrestricted fund		85,891,616 67a	81,955,835
b Current restricted fund		0 67b	0
68 Land, buildings, and equipment fund		0 68	0
69 Endowment fund		64,954,978 69	66,531,812
70 Other funds (describe)		0 70	0
Organizations that do not use fund accounting, check here <input type="checkbox"/> and complete lines 71 through 75 (see instructions)			
71 Capital stock or trust principal		0 71	0
72 Paid-in or capital surplus		0 72	0
73 Retained earnings or accumulated income		0 73	0
74 Total fund balances or net assets (add lines 67a through 70 OR lines 71 through 73; column (A) must equal line 19 and column (B) must equal line 21)		150,846,594 74	131,818,038
75 Total liabilities and fund balances/net assets (add lines 66 and 74)		164,006,183 75	210,772,123

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes the organization's programs and accomplishments.



Form 990 (1994) **ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION 25-1481622** Page 4

**Part V List of Officers, Directors, Trustees and Key Employees** (List each one even if not compensated.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid enter -0-)	(D) Contributions to employee benefit plans	(E) Expense account and other allowances
STATEMENT 10				

Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? ☐ Yes ☒ No

If "Yes," attach schedule - see instructions.

**Part VI Other Information**

76 Did the organization engage in any activity not previously reported to the Internal Revenue Service? ☐ Yes ☒ No

If "Yes," attach a detailed description of each activity.

77 Were any changes made in the organizing or governing documents, but not reported to the IRS? ☐ Yes ☒ No

If "Yes," attach a conformed copy of the changes.

78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? ☐ Yes ☒ No

b If "Yes," has it filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year?

79 Was there a liquidation, dissolution, termination, or substantial correction during the year? If "Yes," attach a statement; see instructions.

80a Is the organization related (other than by association with a state or national organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization? (See instructions.) ☐ Yes ☒ No

b If "Yes," enter the name of the organization **STATEMENT 11** and check whether it is ☐ exempt OR ☒ nonexempt

81a Enter the amount of political expenditures, direct or indirect, as described in the instructions ☐ 81a ☒ N/A

b Did the organization file Form 1120-POL, U. S. Income Tax Return for Certain Political Organizations, for this year?

82a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? ☐ 82a ☒ NO

b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions for reporting in Part III.) ☐ 82b ☒ N/A

83 Did the organization comply with the public inspection requirements for returns and exemption applications?

84a Did the organization solicit any contributions or gifts that were not tax deductible?

b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? (See General Instruction M.) ☐ 84b ☒ N/A

85 Section 501(c)(4), (5), or (6) organizations. - a Were substantially all dues nondeductible by members?

b Did the organization make only in-house lobbying expenditures of \$2,000 or less? ☐ 85a ☒ N/A

If "Yes" to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.

c Dues, assessments, and similar amounts from members ☐ 85c ☒ N/A

d Section 162(e) lobbying and political expenditures ☐ 85d ☒ N/A

e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices ☐ 85e ☒ N/A

f Taxable amount of lobbying and political expenditures (line 85d less 85e; see instructions) ☐ 85f ☒ N/A

g Does the organization elect to pay the section 6033(e) tax on the amount in 85f?

h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? ☐ 85g ☒ N/A

86 Section 501(c)(7) organizations. - Enter: ☐ 86a ☒ N/A

a Initiation fees and capital contributions included on line 12 ☐ 86b ☒ N/A

b Gross receipts, included on line 12, for public use of club facilities (See instructions.) ☐ 86c ☒ N/A

87 Section 501(c)(12) organizations. - Enter: a Gross income from members or shareholders ☐ 87a ☒ N/A

b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) ☐ 87b ☒ N/A

88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership? If "Yes," complete Part IX ☐ 88 ☒ YES

89 Public interest law firms. - Attach information described in the instructions.

90 List the states with which a copy of this return is filed

91 The books are in care of **MANAGEMENT** Telephone no. **(412)-359-8598**

Located at **320 EAST NORTH AVENUE, PITTSBURGH, PA** ZIP code **15212**

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041, U. S. Income Tax Return for Estates and Trusts. ☐ 92 ☒ check and enter the amount of tax-exempt interest received or accrued

Form 990 (1994)

ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDA 25-1481622

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**Part VII Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a MANAGEMENT FEE					16,567,443
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
94 Membership dues and assessments			14	9,367,162	
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities					
97 Net rental income (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	1,038,437	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
b STATEMENT 12	8745	934,082	01	105,783	
c					
d					
e					
104 Subtotal (add cols. (B), (D), and (E))		934,082		10,511,382	16,567,443
105 TOTAL (add line 104, columns (B), (D), and (E))					28,012,907

Note: (Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.)

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes**

Line number	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93(a)/(b)	ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION (AHERF) IS THE PARENT OF A MULTI-INSTITUTIONAL ACADEMIC HEALTH CARE SYSTEM. AHERF OWNS AND OPERATES SIX HOSPITALS, A HEALTH SCIENCES UNIVERSITY WHICH INCLUDES A MEDICAL SCHOOL, A RESEARCH INSTITUTE AND CERTAIN OTHER HEALTH CARE FACILITIES AND RELATED ENTITIES. AHERF PROVIDES MANAGEMENT, LEGAL, FINANCIAL AND INFORMATION SYSTEMS SERVICES TO THE TAX EXEMPT MEMBERS OF THE AFFILIATED GROUP. PLR 8932010 STATES THAT A PARENT ORGANIZATION WHICH PROVIDES ACCOUNTING, ADMINISTRATIVE, DATA PROCESSING, CORPORATE PLANNING, HUMAN RESOURCE SERVICES TO RELATED TAX-EXEMPT ORGANIZATIONS IS PERFORMING SERVICES THAT THE TAX-EXEMPT ORGANIZATIONS COULD PERFORM THEMSELVES, IN FURTHERANCE OF THEIR EXEMPT PURPOSES. THEREFORE, THE PERFORMANCE OF THESE SERVICES DOES NOT GENERATE UNRELATED BUSINESS INCOME.

**Part IX Information Regarding Taxable Subsidiaries**

(Complete this Part if the "Yes" box on line 85 is checked.)

Name, address, and employer identification number of corporation or partnership	% of ownership interest	Nature of business activities	Total income	End-of-year assets
DIVERSIFIED HEALTH GROUP, INC. 320 EAST NORTH AVENUE PITTSBURGH, PA 15212 EIN 25-1354056	100.00%	MANAGED CARE ACTIVITIES	1,430,873	6,747,038

Please  
Sign  
Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer

Date 7/14/1996

EXECUTIVE VICE PRESIDENT

Paid

Preparer's  
Use OnlyPreparer's  
signature

Date

Check if self-  
employed

Preparer's SSN

Firm's name  
(or yours)  
and address

E.I. No.

Phone

ZIP code

**SCHEDULE A**  
**(Form 990)****Organization Exempt Under Section 501(c)(3)**  
(Except Private Foundation), and Section 501(e), 501(f), 501(k),

OMB No 1545-0047

**1994**Department of the Treasury  
Internal Revenue Serviceor Section 4947(a)(1) Nonexempt Charitable Trust  
Supplementary Information

Must be completed by the above organizations and attached to their Form 990 (or 990-EZ).

Name of the organization

**ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION**

Employer identification number

**25-1481622****Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See instructions.) (List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
Thomas P. Galinski 320 E. North Ave., Pittsburgh, PA	President & CEO, OHVS 40 Hours	285,624	90,818	- 0 -
Michael O'Mahoney 320 E. North Ave., Pittsburgh, PA	Vice President 40 Hours	223,908	44,027	- 0 -
Thomas Chakurda 320 E. North Ave., Pittsburgh, PA	Vice President 40 Hours	209,709	39,982	- 0 -
Harry Gottlieb 320 E. North Ave., Pittsburgh, PA	Sr VP Clinical Affairs 40 Hours	198,519	46,927	- 0 -
George J. Magovern, Sr. 320 E. North Ave., Pittsburgh, PA	Executive Vice President 40 Hours	189,455	38,174	- 0 -
Total number of other employees paid over \$50,000	249			

**Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See instructions.) (List each one (whether individuals or firms.) If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
COOPERS & LYBRAND 600 GRANT STREET, PITTSBURGH, PA 15219	AUDIT & CONSULTING	886,354
TILLINGHAST P.O. BOS 8500, PHILADELPHIA, PA 19178	LEGAL FEES	389,828
KIRKPATRICK & LOCKHART 1500 OLIVER BLDG, PITTSBURGH, PA 15222	LEGAL FEES	376,119
BLANK ROME COMISKY & MCCAULEY FOUR PENN CENTER PLAZA, PHILADELPHIA, PA 19103	LEGAL FEES	284,465
FIRST CONSULTING GROUP 100 E WARDLOW ROAD, LONG BEACH, CA 90807	LEGAL FEES	259,248
Total number of others receiving over \$50,000 for professional services	7	

**Part III Statements About Activities**

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? . . . . . 368,853	1	X
If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities. Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any of its trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary:	2a	X
a Sale, exchange, or leasing of property? . . . . .	2b	X
b Lending of money or other extension of credit? . . . . .	2c	X
c Furnishing of goods, services, or facilities? . . . . .	2d	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? . . . . .	2e	X
e Transfer of any part of its income or assets? . . . . .	3	X
If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		
3 Does the organization make grants for scholarships, fellowships, student loans, etc.? . . . .		
4 Attach a statement explaining how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments. (See instructions.)	STATEMENT 13	

For Paperwork Reduction Act Notice, see page 1 of the instructions to Form 990 (or Form 990-EZ)

(0323)

Schedule A (Form 990) 1994



Schedule A (Form 990) 1994

ALLEGHENY HEALTH, EDUCATION AND 20-1481622

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**Part IV Reason for Non-Private Foundation Status**

(See instructions for definitions.)

The organization is not a private foundation because it is (please check only ONE applicable box):

- 5 ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 3.)
- 7 ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 ☐ A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state
- 10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the Support Schedule below.)
- 11a ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule below.)
- 11b ☐ A community trust. Section 170(b)(1)(A)(vii). (Also complete the Support Schedule below.)
- 12 ☐ An organization that normally receives: (a) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975, and (b) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions. See section 509(a)(2). (Also complete the Support Schedule below.)
- 13 ☒ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See instructions for Part IV, line 13.)

(a) Name(s) of supported organization(s)	(b) Line number from above
STATEMENT 14	

- 14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions.)

Support Schedule (Complete only if you checked a box on line 10, 11, or 12 above.) Use cash method of accounting.

NOTE: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 1993	(b) 1992	(c) 1991	(d) 1990	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					0
16 Membership fees received					0
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose					0
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after 6/30/75					0
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					0
23 Total of lines 15 through 22	0	0	0	0	0
24 Line 23 minus line 17	0	0	0	0	0
25 Enter 1% of line 23	0	0	0	0	
26 Organizations described in lines 10 or 11:					
a Enter 2% of amount in column (e), line 24					0
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1990 through 1993 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts here					

(Support Schedule continued on page 3)

Schedule A (Form 990) 1994

ALLEGHENY HEALTH, EDUCATION AND RESEARCH CENTER 25-1481622

Page 3

**Part IV Support Schedule**

(continued) (Complete only if you checked a box on lines 10, 11, or 12.)

N/A

**27 Organizations described on line 12:**

- a Attach a list, for amounts shown on lines 15, 16, and 17, to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year:

(1993) \_\_\_\_\_ (1992) \_\_\_\_\_ (1991) \_\_\_\_\_ (1990) \_\_\_\_\_

- b Attach a list to show, for 1990 through 1993, the name of, and amount included in line 17 for, each person (other than a "disqualified person") from whom the organization received, during that year, an amount that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. Include organizations described in lines 5 through 11, as well as individuals. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of all these differences (the excess amounts) for each year:

(1993) \_\_\_\_\_ (1992) \_\_\_\_\_ (1991) \_\_\_\_\_ (1990) \_\_\_\_\_

- 28 For an organization described in line 10, 11, or 12, that received any unusual grants during 1990 through 1993, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See instructions.)

**Part V Private School Questionnaire**

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a statement.)		
33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance? (See instructions.)		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a statement.)		
34a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

Schedule A (Form 990) 1994

ALLEGHENY HEALTH, EDU 25-1481622

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**Part VI-A Lobbying Expenditures by Electing Public Charities**

(See instructions.)

(To be completed ONLY by an eligible organization that filed Form 5768)

Check here ☐ a If the organization belongs to an affiliated group (see instructions).  
 Check here ☐ b If you checked 'a' and "limited control" provisions apply (see instructions).

**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred)

	(a) Affiliated group totals	(b) To be completed for ALL organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	0
39 Other exempt purpose expenditures (see Part VI-A instructions)	39	
40 Total exempt purpose expenditures (add lines 38 and 39) (see instructions)	40	0
41 Lobbying nontaxable amount. Enter the amount from the following table -		
If the amount on line 40 is -		
Not over \$500,000		20% of the amount on line 40
Over \$500,000 but not over \$1,000,000		\$100,000 plus 15% of the excess over \$500,000
Over \$1,000,000 but not over \$1,500,000		\$175,000 plus 10% of the excess over \$1,000,000
Over \$1,500,000 but not over \$17,000,000		\$225,000 plus 5% of the excess over \$1,500,000
Over \$17,000,000		\$1,000,000
42 Grassroots nontaxable amount (enter 25% of line 41)	42	0
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	0
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	0

Caution: File Form 4720 if there is an amount on either line 43 or line 44.

**4 - Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.)

See the instructions for lines 45 through 50.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 1994	(b) 1993	(c) 1992	(d) 1991	(e) Total
45 Lobbying nontaxable amount (see instructions)					0
46 Lobbying ceiling amount (150% of line 45(e))					0
47 Total lobbying expenditures					0
48 Grassroots nontaxable amount (see instructions)					0
49 Grassroots ceiling amount (150% of line 48(e))					0
50 Grassroots lobbying expenditures (see instructions)					0

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting by organizations that did not complete Part VI-A)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (include compensation in expenses reported on lines c - h)	X		
c Media advertisements		X	
d Mailings to members, legislators, or the public	X		26,552
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body	X		342,304
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (add lines c through h)			368,856

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.



Form

**5471**

(Rev. June 1995)

Department of the Treasury  
Internal Revenue Service**Information Return of U. S. Persons With  
Respect To Certain Foreign Corporations**Information furnished for the foreign corporation's annual accounting period (tax year  
required by section 898) beginning , and ending

OMB No 1545-0704

File In  
Duplicate  
(see instructions)

Name of person filing this return <b>ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION</b>	A Identifying number <b>25-1481622</b>
Number, street, and room or suite no. (or P.O. box no.) <b>320 EAST NORTH AVENUE</b>	B Category of filer (see instructions and check applicable box(es)): (1) <input type="checkbox"/> (2) <input type="checkbox"/> (3) <input checked="" type="checkbox"/> (4) <input type="checkbox"/> (5) <input type="checkbox"/>
City or town, state, and ZIP code <b>PITTSBURGH, PA 15212</b>	C Enter the total percentage of voting stock of the foreign corporation you owned at the end of its annual accounting period <b>100.00%</b>
Filer's tax year beginning <b>JULY 1, 1994</b> and ending <b>JUNE 30, 1995</b>	

D Person(s) on whose behalf this information return is filed:					
(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

**Important:** Fill in all applicable lines and schedules. All information must be in the English language. All amounts must be stated in U. S. dollars unless otherwise indicated.

Enter the foreign corporation's functional currency

1a Name and address of foreign corporation <b>ALLEGHENY HEALTH SERVICES PROVIDERS INSURANCE COMPANY C/O JOHNSON &amp; HIGGINS, SWISS BANK BUILDING, FORT STREET, 2ND FLOOR GRAND CAYMAN, B.W.I.</b>			b Employer identification number, if any
			c Country under whose laws incorporated <b>CAYMAN ISLANDS</b>
d Date of incorporation <b>09/05/86</b>	e Principal place of business <b>CAYMAN ISLANDS</b>	f Principal business activity code number <b>6359</b>	g Principal business activity <b>INSURANCE</b>

**2 Provide the following information for the foreign corporation's accounting period stated above.**

a Name, address, and identifying number of branch office or agent in the United States  <b>N/A</b>	b If U. S. income tax return was filed, please show:	
	(i) Taxable income or (loss) <b>N/A</b>	(ii) U. S. income tax paid (after all credits) <b>N/A</b>

c Name and address of foreign corporation's statutory or resident agent in country of incorporation <b>JOHNSON &amp; HIGGINS SWISS BANK BUILDING FORT STREET, 2ND FLOOR GRAND CAYMAN, B.W.I. CAYMAN ISLANDS</b>	d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different <b>N/A</b>
---	---

**Schedule A Stock of the Foreign Corporation****Part I - ALL Classes of Stock**

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
<b>CAPITAL STOCK</b>	<b>120,000</b>	<b>120,000</b>

**Part II - Additional Information for PREFERRED Stock**

(To be completed only by Category (1) filers for foreign personal holding companies)

(a) Description of each class of PREFERRED stock (Note: This description should match the corresponding description entered in Part I, column (a).)	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether the stock is cumulative or noncumulative

For Paperwork Reduction Act Notice, see page 1 of the instructions.

(0323)

Form 5471 (Rev. 6-95)



Form 5471 (Rev. 8-95) ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED  
**Schedule B U. S. Shareholders of Foreign Corporation**

(see instructions)

Schedule B U. S. Shareholders of Foreign Corporation				
(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock held by shareholder (Note: This description should match the corresponding description entered in Schedule A, Part I, column (a).)	(c) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F income (enter as a percentage)
ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION 320 EAST NORTH AVENUE PITTSBURGH, PA 15212 EIN: 25-1481622	CAPITAL STOCK	120,000	120,000	100.00%

## Schedule C Income Statement

(Complete both columns unless the functional currency is the U. S. dollar.)

In that case, complete only the U. S. Dollars column.)

**Important:**

Schedule C requests financial accounting information prepared in functional currency in accordance with U. S. GAAP. Each line must also be reported in U. S. dollars translated from functional currency in accordance with U. S. GAAP translation rules. See instructions for special rules for DASTM corporations.

with U. S. GAAP translation rules. See instructions for special rules for DASTM corporations.			Functional Currency	U. S. Dollars
	1a	Gross receipts or sales	1a	486,016
	b	Returns and allowances	1b	
	c	Subtract line 1b from line 1a	1c	0
I	2	Cost of goods sold	2	11,376,697
n	3	Gross profit (subtract line 2 from line 1c)	3	(10,890,681)
c	4	Dividends	4	
m	5	Interest	5	3,478,159
e	6	Gross rents, royalties, and license fees	6	
	7	Net gain or (loss) on sale of capital assets	7	
	8	Other income (attach schedule)	8	0
	9	Total income (add lines 3 through 8)	9	(7,414,522)
	10	Compensation not deducted elsewhere	10	
	11	Rents, royalties, and license fees	11	
	12	Interest	12	
De-	13	Depreciation not deducted elsewhere	13	
duc-	14	Depletion	14	
tions	15	Taxes (exclude provision for income, war profits, and excess profits taxes)	15	
	16	Other deductions (attach schedule - exclude provision for income, war profits, and excess profits taxes)	16	604,959
	17	Total deductions (add lines 10 through 16)	17	0
Net	18	Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9)	18	(8,019,481)
I	19	Extraordinary items and prior period adjustments (see instructions)	19	
n	20	Provision for income, war profits, and excess profits taxes (see instructions)	20	
c				
o				
m				
e	21	Current year net income or (loss) per books (line 18 plus line 19 minus line 20)	21	(8,019,481)

Form 5471 (Rev. 6-95) **ALLEGHENY HEALTH SERVICES PRO** Page 3  
**Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued** (see instructions)

(a) Name of country or U. S. possession	Amount of tax		
	(b) In foreign currency	(c) Spot conversion rate	(d) In U. S. dollars
1 U. S.			
2			
3			
4			
5			
6			
7			
8 Total			0

**Schedule F Balance Sheets**

Important:

Schedule F requests financial accounting information prepared and translated into U. S. dollars in accordance with U. S. GAAP. See instructions for exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
		1	2
1 Cash		25,428,754	16,065,878
2a Trade notes and accounts receivable			
2b Less allowance for bad debts			
3 Inventories			
4 Other current assets (attach schedule)		0	0
5 Loans to stockholders and other related persons			
6 Investment in subsidiaries (attach schedule)			
7 Other investments (attach schedule)	STATEMENT 3	18,398,378	39,190,806
8a Buildings and other depreciable assets			
8b Less accumulated depreciation			
9a Depletable assets			
9b Less accumulated depletion			
10 Land (net of any amortization)			
11 Intangible assets:			
a Goodwill			
b Organization costs			
c Patents, trademarks, and other intangible assets			
d Less accumulated amortization for lines 11a, b, and c			
12 Other assets (attach schedule)	STATEMENT 3	3,067,963	2,771,525
13 Total assets		46,895,095	58,028,209
Liabilities and Stockholders' Equity			
14 Accounts payable		73,075	154,228
15 Other current liabilities (attach schedule)		0	0
16 Loans from stockholders and other related persons			
17 Other liabilities (attach schedule)	STATEMENT 4	46,702,020	57,354,271
18 Capital stock:			
a Preferred stock			
b Common stock		120,000	120,000
19 Paid-in or capital surplus (attach reconciliation)	STATEMENT 5		8,019,481
20 Retained earnings	STATEMENT 5		(7,819,771)
21 Less cost of treasury stock			
22 Total liabilities and stockholders' equity		46,895,095	58,028,209

Does the foreign corporation have an interest in a partnership or trust?

☐ Yes☒ No

Form 5471 (Rev. 6-95)

ALLEGHENY HEALTH SERVICES PRO

Page 4

**Schedule H Current Earnings and Profits**

(enter the amounts on lines 1 through 5c in functional currency)

N/A

1	Current year net income or (loss) per foreign books of account			1	
2	Net adjustments made to line 1 to determine current earnings and profits according to U. S. financial and tax accounting standards:	Net additions	Net subtractions		
	a Capital gains or losses				
	b Depreciation and amortization				
	c Depletion				
	d Investment or incentive allowance				
	e Charges to statutory reserves				
	f Inventory adjustments				
	g Taxes				
	h Other (attach schedule)				
3	Total net additions	0			
4	Total net subtractions		0		
5a	Current earnings and profits (line 1 plus line 3 minus line 4)			5a	0
b	DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)			5b	
c	Combine lines 5a and 5b			5c	0
d	Current earnings and profits in U. S. dollars (line 5c translated at the weighted average exchange rate as defined in Regulations Section 1.989(b)-1)			5c	
	Enter exchange rate used for line 5d				

**Schedule I Summary of Shareholder's Income From Foreign Corporation**

N/A

(see instructions)

1	Subpart F income (line 40b, Worksheet A in the instructions)	1	0
2	Earnings invested in U. S. property (line 17, Worksheet B in the instructions)	2	
3	Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)	3	
4	Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	4	
5	Earnings invested in excess passive assets (line 21, Worksheet E in the instructions)	5	
6	Factoring income	6	
7	Total of lines 1 through 6. Enter here and on your income tax return	7	0
8	Dividends received (translated at spot rate on payment date under section 989(b)(1))	8	
9	Exchange gain or (loss) on a distribution of previously taxed income	9	
Was any income of the foreign corporation blocked OR did any become unblocked during the tax year (see section 964(b))?			
If the answer to either part of the question is "Yes," check the "Yes" box and attach explanation <input type="checkbox"/> Yes <input type="checkbox"/> No			

ALLEGHENT HEALTH, EDUCATION AND RESEARCH FOUNDATION  
EIN: 25-1481622

STATEMENT 1

JUNE 30, 1995

**OTHER DEDUCTIONS**

**AMOUNT**

ACTUARIAL FEES	83,164
MEETING EXPENSES	226,684
LEGAL FEES	60,586
INVESTMENT MANAGEMENT FEES	138,456
MANAGEMENT FEES	13,375
AUDIT FEES	9,476
BANK CHARGES	52,265
GOVERNMENT FEES, DRAFT CHARGES AND MISCELLANEOUS EXPENSES	<u>20,953</u>
	<u><u>604,959</u></u>

Statement 1

ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
EIN: 25-1431622

JUNE 30, 1995

Form 990, Part I, Line 1a, Direct Public Support

Name	Address	City	State	Zip	Date	Direct Support		Indirect Support		Fiscal Year Total
						Cash	Value 8283	Cash	Value 8283	
ALLEGHENY GENERAL HOSPITAL	320 EAST NORTH AVENUE	PITTSBURGH	PA	15212	VARIOUS			10,641,000		\$10,641,000
THE MEDICAL COLLEGE OF PENNSYLVANIA AND HAHNEMANN UNIVERSITY HOSPITAL SYSTEM	320 EAST NORTH AVENUE	PITTSBURGH	PA	15212	VARIOUS			3,750,000		\$3,750,000
ALLEGHENY UNITED HOSPITALS	320 EAST NORTH AVENUE	PITTSBURGH	PA	15212	VARIOUS			1,800,000		\$1,800,000
ST. CHRISTOPHER'S HOSPITAL FOR CHILDREN	320 EAST NORTH AVENUE	PITTSBURGH	PA	15212	VARIOUS			1,750,000		\$1,750,000
HAHNEMANN UNIVERSITY HOSPITAL	320 EAST NORTH AVENUE	PITTSBURGH	PA	15212	02/85			4,840,853		\$4,840,853
MISCELLANEOUS CONTRIBUTIONS TO CHARITABLE CARE								84,293		\$84,293
								22,879,146		\$22,879,146



ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
EIN: 25-1481622

STATEMENT 2

JUNE 30, 1995

COST OF GOODS SOLD

DIRECT PREMIUM CEDED	59,919
FRONTING FEES	212,204
CLAIMS MANAGEMENT FEES	5,000
MOVEMENT IN PROVISION FOR RETROSPECTIVE PREMIUM ADJUSTMENT	(693,473)
LOSSES INCURRED	<u>11,793,047</u>
	<u><u>11,376,697</u></u>

ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
EIN: 25-1481622

STATEMENT 3

JUNE 30, 1995

**OTHER INVESTMENTS**

**AMOUNT**

INVESTMENTS

39,190,806

**OTHER ASSETS**

**AMOUNT**

ACCRUED INVESTMENT INCOME AND PREPAYMENTS  
REINSURANCE AND INSURANCE BALANCES RECEIVABLE  
UNEARNED PREMIUMS

569,720

2,168,483

33,322

2,771,525

ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
EIN: 25-1481622

STATEMENT 4

JUNE 30, 1995

OTHER LIABILITIES

AMOUNT

DEFERRED REINSURANCE PREMIUMS

33,322

PROVISION FOR LOSSES

45,924,550

PROVISION FOR RETROSPECTIVE PREMIUM ADJUSTMENT

11,396,399

57,354,271

STATEMENT 5

ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
EIN: 25-1481622

JUNE 30, 1995

PAID-IN OR CAPITAL SURPLUS

AMOUNT

CAPITAL CONTRIBUTION FROM AHERF

8,019,481

RETAINED EARNINGS

AMOUNT

NET INCOME/(LOSS)

(8,019,481)

UNREALIZED GAIN ON INVESTMENTS AND CASH AND CASH EQUIVALENTS

399,710

(7,619,771)

Form **5471**

(Rev. June 1995)

Department of the Treasury  
Internal Revenue Service**Information Return of U. S. Persons With  
Respect To Certain Foreign Corporations**Information furnished for the foreign corporation's annual accounting period (tax year  
required by section 898) beginning and ending

OMB No. 1545-0704

**File In  
Duplicate  
(see instructions)**

Name of person filing this return <b>ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION</b>		<b>A</b> Identifying number <b>25-1481622</b>	
Number, street, and room or suite no. (or P.O. box no.) <b>320 EAST NORTH AVENUE</b>		<b>B</b> Category of filer (see instructions and check applicable box(es)): (1) <input type="checkbox"/> (2) <input type="checkbox"/> (3) <input checked="" type="checkbox"/> (4) <input type="checkbox"/> (5) <input type="checkbox"/>	
City or town, state, and ZIP code <b>PITTSBURGH, PA 15212</b>		<b>C</b> Enter the total percentage of voting stock of the foreign corporation you owned at the end of its annual accounting period <b>0.00%</b>	
Filer's tax year beginning <b>JULY 1, 1994</b> and ending <b>OCTOBER 28, 1994</b>			

<b>D</b> Person(s) on whose behalf this information return is filed:					
(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

**Important:** Fill in all applicable lines and schedules. All information must be in the English language. All amounts must be stated in U. S. dollars unless otherwise indicated.

Enter the foreign corporation's functional currency

<b>1a</b> Name and address of foreign corporation <b>UNITED HOSPITALS INSURANCE CO., LTD C/O JOHNSON &amp; HIGGINS, SWISS BANK BUILDING, FORT STREET, 2ND FLOOR GRAND CAYMAN, B.W.I.</b>		<b>b</b> Employer identification number, if any
<b>d</b> Date of incorporation <b>09/07/87</b>	<b>e</b> Principal place of business <b>CAYMAN ISLANDS</b>	<b>c</b> Country under whose laws incorporated <b>CAYMAN ISLANDS</b>
	<b>f</b> Principal business activity code number <b>6359</b>	<b>g</b> Principal business activity <b>INSURANCE</b>

<b>2</b> Provide the following information for the foreign corporation's accounting period stated above.		
<b>a</b> Name, address, and identifying number of branch office or agent in the United States  <b>N/A</b>	<b>b</b> If U. S. income tax return was filed, please show:	
	(i) Taxable income or (loss) <b>N/A</b>	(ii) U. S. income tax paid (after all credits) <b>N/A</b>
<b>c</b> Name and address of foreign corporation's statutory or resident agent in country of incorporation <b>JOHNSON &amp; HIGGINS SWISS BANK BUILDING FORT STREET, 2ND FLOOR GRAND CAYMAN, B.W.I. CAYMAN ISLANDS</b>	<b>d</b> Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different <b>N/A</b>	

**Schedule A Stock of the Foreign Corporation****Part I - ALL Classes of Stock**

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
<b>CAPITAL STOCK</b>	<b>120,000</b>	<b>ALL ASSETS AND LIABILITIES ASSUMED BY ALLEGHENY HEALTH SERVICES PROVIDERS INSURANCE COMPANY ON 10/28/94.</b>

**Part II - Additional Information for PREFERRED Stock**

(To be completed only by Category (1) filers for foreign personal holding companies)

(a) Description of each class of PREFERRED stock (Note: This description should match the corresponding description entered in Part I, column (a).)	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether the stock is cumulative or noncumulative

For Paperwork Reduction Act Notice, see page 1 of the instructions.

(0323)

Form 5471 (Rev. 6-95)



## Schedule B U. S. Shareholders of Foreign Corporation

(see instructions)

Schedule B U. S. Shareholders of Foreign Corporation		(see instructions)		
(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock held by shareholder (Note: This description should match the corresponding description entered in Schedule A, Part I, column (a).)	(c) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F income (enter as a percentage)
ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION 320 EAST NORTH AVENUE PITTSBURGH, PA 15212 EIN: 25-1481622	CAPITAL STOCK	120,000	0	100.00%

## Schedule C Income Statement

(Complete both columns unless the functional currency is the U. S. dollar.)

In that case, complete only the U. S. Dollars column.)

**Important:**

Schedule C requests financial accounting information prepared in functional currency in accordance with U. S. GAAP. Each line must also be reported in U. S. dollars translated from functional currency in accordance with U. S. GAAP translation rules. See instructions for special rules for DASTM corporations.

with U. S. GAAP translation rules. See instructions for special rules for DASTM corporations.			Functional Currency	U. S. Dollars
I n c o r p o r a t e d	1a	Gross receipts or sales		
	b	Returns and allowances		
	c	Subtract line 1b from line 1a	0	0
	2	Cost of goods sold		49,997
	3	Gross profit (subtract line 2 from line 1c)	0	(49,997)
	4	Dividends		
	5	Interest		67,568
	6	Gross rents, royalties, and license fees		
	7	Net gain or (loss) on sale of capital assets		
D e d u c t i o n s	8	Other income (attach schedule)		0
	9	Total income (add lines 3 through 8)	0	17,571
	10	Compensation not deducted elsewhere		
	11	Rents, royalties, and license fees		
	12	Interest		
	13	Depreciation not deducted elsewhere		
	14	Depletion		
	15	Taxes (exclude provision for income, war profits, and excess profits taxes)		
	16	Other deductions (attach schedule - exclude provision for income, war profits, and excess profits taxes)		17,571
N e t	17	Total deductions (add lines 10 through 16)	0	17,571
	18	Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9)	0	0
	19	Extraordinary items and prior period adjustments (see instructions)		
	20	Provision for income, war profits, and excess profits taxes (see instructions)		
	21	Current year net income or (loss) per books (line 18 plus line 19 minus line 20)	0	0

Form 5471 (Rev. 6-95)

UNITED HOSPITALS INSURANCE CO., LTD

(see instructions)

**Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued**

(a) Name of country or U. S. possession	Amount of tax		
	(b) In foreign currency	(c) Spot conversion rate	(d) In U. S. dollars
1 U. S.			0
2			
3			
4			
5			
6			
7			0
8 Total			

**Schedule F Balance Sheets**

Important: Schedule F requests financial accounting information prepared and translated into U. S. dollars in accordance with U. S. GAAP. See instructions for exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash		195,540	0
2a Trade notes and accounts receivable			
b Less allowance for bad debts			
3 Inventories		0	0
4 Other current assets (attach schedule)			
5 Loans to stockholders and other related persons			
6 Investment in subsidiaries (attach schedule)		0	0
7 Other investments (attach schedule)			
8a Buildings and other depreciable assets			
b Less accumulated depreciation			
9a Depletable assets			
b Less accumulated depletion			
10 Land (net of any amortization)			
11 Intangible assets:			
a Goodwill			
b Organization costs			
c Patents, trademarks, and other intangible assets			
d Less accumulated amortization for lines 11a, b, and c			
12 Other assets (attach schedule)		6,153,521	0
13 Total assets		6,349,061	0
Liabilities and Stockholders' Equity			
14 Accounts payable		14,266	0
15 Other current liabilities (attach schedule)		0	0
16 Loans from stockholders and other related persons			
17 Other liabilities (attach schedule)		6,214,795	0
18 Capital stock:			
a Preferred stock			
b Common stock		120,000	0
19 Paid-in or capital surplus (attach reconciliation)			
20 Retained earnings			
21 Less cost of treasury stock			
22 Total liabilities and stockholders' equity		6,349,061	0
Does the foreign corporation have an interest in a partnership or trust?		<input type="checkbox"/> Yes	<input type="checkbox"/> No

Page 4

Form 5471 (Rev. 6-95) UNITED HOSPITALS INSURANCE CO., LTD (enter the amounts on lines 1 through 5c in functional currency) N/A

### Schedule H Current Earnings and Profits

1	Current year net income or (loss) per foreign books of account		1	
2	Net adjustments made to line 1 to determine current earnings and profits according to U. S. financial and tax accounting standards:	Net additions	Net subtractions	
a	Capital gains or losses			
b	Depreciation and amortization			
c	Depletion			
d	Investment or incentive allowance			
e	Charges to statutory reserves			
f	Inventory adjustments			
g	Taxes			
h	Other (attach schedule)	0		
3	Total net additions		0	
4	Total net subtractions			5a 0
5a	Current earnings and profits (line 1 plus line 3 minus line 4)			5b
b	DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)			5c 0
c	Combine lines 5a and 5b			
d	Current earnings and profits in U. S. dollars (line 5c translated at the weighted average exchange rate as defined in Regulations Section 1.989(b)-1)			5c
	Enter exchange rate used for line 5d			N/A (see instructions)

### Schedule I Summary of Shareholder's Income From Foreign Corporation

1	Subpart F income (line 40b, Worksheet A in the instructions)	1	0
2	Earnings invested in U. S. property (line 17, Worksheet B in the instructions)	2	
3	Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)	3	
4	Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	4	
5	Earnings invested in excess passive assets (line 21, Worksheet E in the instructions)	5	
6	Factoring income	6	
7	Total of lines 1 through 6. Enter here and on your income tax return	7	0
8	Dividends received (translated at spot rate on payment date under section 989(b)(1))	8	
9	Exchange gain or (loss) on a distribution of previously taxed income	9	

Was any income of the foreign corporation blocked OR did any become unblocked during the tax year (see section 964(b))?

If the answer to either part of the question is "Yes," check the "Yes" box and attach explanation ☐ Yes ☐ No

STATEMENT 1

ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
EIN: 25-1481622

COST OF GOODS SOLD

AMOUNT

LOSSES INCURRED

49,997

STATEMENT 2

ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
EIN: 25-1481622

OTHER DEDUCTIONS

AMOUNT

INVESTMENT MANAGEMENT FEES  
POSTAGE AND MISCELLANEOUS FEES  
AUDIT FEES

9,228

1,819

6,524

17,571



ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
 EIN: 25-1481622

Statement 2

JUNE 30, 1995

Form 990, Part I, Line 8, Gain/(Loss) from Sale of Assets

Description	Gross Proceeds	Cost or Other Basis	Gain/(Loss) on Sale
<u>Column A: Securities</u>			
GAIN ON SALE OF SECURITIES			1,015,000
Totals for Column A: Securities			<u>\$1,015,000</u>
<u>Column B: Other Assets</u>			
AUTOMOBILES	26,550	(2,405)	24,145
Computer	626	(1,334)	(708)
Totals for Column B: Other Assets	<u>\$27,176</u>	<u>(\$3,739)</u>	<u>\$23,437</u>
Total Gain/(Loss)			<u><u>\$1,038,437</u></u>

Statement 3

ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
EIN: 25-1481622

JUNE 30, 1995

Form 990, Part I, Line 20. Other changes in net assets or fund balances

**Description****Amount**

PRIOR PERIOD ADJUSTMENT  
INCREASE IN INVESTMENT IN AFFILIATE: DHG

(1,128,488)

252,000(876,488)

ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
 EIN: 25-1481622

STATEMENT 4

JUNE 30, 1995

**GRANTS AND ALLOCATIONS**

**AMOUNT**

GRANT TO ALLEGHENY-SINGER RESEARCH INSTITUTE FOR VARIOUS INTERNALLY FUNDED RESEARCH PROJECTS	6,667,000
GRANT TO ALLEGHENY-SINGER RESEARCH INSTITUTE FOR VARIOUS INTERNALLY FUNDED RESEARCH PROJECTS FOR THE MEDICAL COLLEGE OF PENNSYLVANIA AND HAHNEMANN UNIVERSITY	1,000,000
GRANT TO ALLEGHENY-SINGER INSTITUTE FOR ONCOLOGY PROGRAM	1,203,000
GRANT TO ALLEGHENY-SINGER INSTITUTE FOR DEPARTMENT DEVELOPMENT	1,347,000
GRANT TO ALLEGHENY-SINGER RESEARCH INSTITUTE FOR THE CENTER OF NEUROSCIENCE	221,819
GRANT TO ALLEGHENY-SINGER INSTITUTE RELATIVE TO THE ESTABLISHMENT OF A HUMAN GENETICS RESEARCH DEPT	291,995
GRANT TO ALLEGHENY-SINGER INSTITUTE RELATIVE TO MONOCLONAL ANTIBODY PROJECTS	661,842
GRANT TO ALLEGHENY-SINGER INSTITUTE FOR INTRAMURAL FUNDING	809,698
GRANT TO ALLEGHENY-SINGER INSTITUTE FOR THE FAMILY GROWTH CENTER	25,000
GRANT TO ALLEGHENY-SINGER INSTITUTE FOR AHERF RESIDENT ADMINISTRATION	224,299
GRANT TO ALLEGHENY-SINGER INSTITUTE FOR AHERF TECHNOLOGICAL DEVELOPMENT	25,701
GRANT TO ALLEGHENY-SINGER INSTITUTE FOR SIGNA SYSTEM FUNDING	20,000
GRANT TO ALLEGHENY-SINGER INSTITUTE FOR SUPPORT	1,957,000
GRANT TO THE MEDICAL COLLEGE OF PENNSYLVANIA AND HAHNEMANN UNIVERSITY FOR SUPPORT	4,353,235
GRANT TO THE MEDICAL COLLEGE OF PENNSYLVANIA AND HAHNEMANN UNIVERSITY FOR THE CENTER OF AGING	232,748
GRANT TO THE MEDICAL COLLEGE OF PENNSYLVANIA FOR THE PROJECT "CTP-TRIAL"	110,944
SCHOLARSHIPS	101,573
GRANT TO ALLEGHENY INTEGRATED HEALTH GROUP FOR SUPPORT	12,607,645
GRANT TO ST. CHRISTOPHER'S HOSPITAL FOR CHILDREN FOR DEVELOPMENT INITIATIVES	5,000,000
MATCHING CONTRIBUTION TO ST. CHRISTOPHER'S HOSPITAL FOR CHILDREN FOR PULMONARY RESEARCH	200,000
MATCHING CONTRIBUTION TO ST. CHRISTOPHER'S HOSPITAL FOR CHILDREN FOR HARRIET WETHERILL	100,000
MATCHING CONTRIBUTION TO HAHNEMANN UNIVERSITY BAILEY PROFESSORSHIP	1,000,000
MATCHING CONTRIBUTION TO ALLEGHENY-SINGER INSTITUTE FOR BLOOD SCIENCE FOUNDATION	250,000
MATCHING CONTRIBUTION TO ST. CHRISTOPHER'S HOSPITAL FOR CHILDREN'S GOLF TOURNAMENT	388,980
MATCHING CONTRIBUTION TO ALLEGHENY GENERAL HOSPITAL'S DEPARTMENT OF RADIOLOGY	150,000
MATCHING CONTRIBUTION TO ALLEGHENY GENERAL HOSPITAL'S W.P. SNYDER IV MEMORIAL ENDOWMENT	77,144
MATCHING CONTRIBUTION TO THE MEDICAL COLLEGE OF PENNSYLVANIA AND HAHNEMANN UNIVERSITY'S W. COHEN DIABETES LECTURESHIP	25,000
MATCHING CONTRIBUTION TO THE MEDICAL COLLEGE OF PENNSYLVANIA AND HAHNEMANN UNIVERSITY'S RESEARCH FELLOWSHIP IN NEUROMUSCULAR DISEASES	350,000
TRANSFER FUNDS TO TAX-EXEMPT AFFILIATE HUH	3,500,000

42,901,623

ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
 EIN: 23-1481622

## STATEMENT 5

JUNE 30, 1995

Form 990, Part II, Line 43, Other Expenses

	Total	Program Services	Management & General	Fundraising
Professional Fees	3,736,699	1,775,642	1,961,057	0
Intercompany Cost Reimbursement and Support	246,526	117,147	129,379	0
Collection Fees	1,603,913	762,163	841,750	0
Recruitment Fees	823,808	391,465	432,343	0
Outplacement Fees	87,868	41,754	46,114	0
Advertising	108,180	51,406	56,774	0
Donations/Contributions	177,473	84,333	93,140	0
Purchased Services	(58,512,686)	(27,804,639)	(30,708,047)	0
Miscellaneous Intercompany Reclasses	14,995	7,125	7,870	0
Dues and Membership Fees	128,077	60,861	67,216	0
Non-Depreciable Fixed Assets	124,774	59,291	65,483	0
Special Events	648,466	308,145	340,321	0
Taxes	66,606	31,851	34,955	0
Malpractice Insurance	18,031	8,568	9,463	0
Insurance	293	139	154	0
Gifts & Flowers	44,093	20,953	23,140	0
Fines & Penalties	12,155	5,776	6,379	0
Transfer Parking to HUH	188	89	99	0
Total Other Expenses	(50,670,541)	(24,078,131)	(26,592,410)	0

ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
EIN: 25-1481622

STATEMENT 6

JUNE 30, 1995

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### **PUBLIC RELATIONS STUDENT INTERNSHIPS**

Both graduates and undergraduates in the field of public relations are provided internships at each hospital for an average of one semester, 15 hours each week. In FY 95, Medical College of Pennsylvania, St. Christopher's Hospital for Children, and Hahnemann University Hospital each had three interns, while Bucks County Hospital had two, and Elkins Park Hospital one.

### **PROSTATE CANCER SCREENING**

Free prostate screening is provided annually and targeted to men over the age of 40 at both Medical College of Pennsylvania and Hahnemann University Hospitals. The program includes prostate cancer education, digital rectal examination and a prostate-specific antigen blood test. Staff from a variety of departments are involved. In 1995, 106 men were screened. Partial funding was received from SmithKline Beecham.

### **ADVANTAGE PASSPORT**

Advantage Passport is a free membership program for people 55 and older that entitles them to benefits such as educational programs, insurance counseling, free notary public services, health screenings, pharmacy discounts, travel opportunities, discounts on specialized fitness programs, discounted meals, preferred parking, discount television and phone service, a member newsletter and more. In FY 95, Advantage Passport presented approximately 90 education programs, 70 speaking engagements, and participated in dozens of health fairs offering screenings. There are currently 35,000 members, with programs at Medical College of Pennsylvania, Bucks County and Elkins Park Hospitals.

### **ADVANTAGE FOR WOMEN**

Advantage for Women is a free membership program which offers educational seminars and health screenings, discounts, quarterly newsletters, prizes, travel opportunities and benefits to women of all ages. Membership

doubled in FY 95 to 45,000 women who are enjoying Advantage benefits.

#### **MEDIA INITIATIVES**

Health-related education is provided to the community on an ongoing basis through media initiatives. Radio and television interviews of AHERF staff and interactive question and answer sessions occur throughout the year. Media stories in print, television and radio ads appear locally and nationally that highlight the activities of AHERF member institutions.

Medical Frontiers is a weekly broadcast program on WWDB 96.5 FM, the #1 talk show in the Delaware Valley. Since July 1994, each Wednesday evening from 8:00-9:00 pm, health information is offered to the public throughout the tri-state area. Hosted by Joel Posner, MD, Professor and Chief, Divisions of Geriatrics and Rehabilitation Medicine, Medical Frontiers features one or more guest physicians and other staff from the Medical College of Pennsylvania and Hahnemann University Hospital System and St. Christopher's Hospital for Children.

#### **PHILADELPHIA INTERNATIONAL WOMEN'S SHOW**

The Communications Department organizes a major exhibition on women's health issues as one of the largest of 300 exhibitors at the annual Philadelphia International Women's Show. The show is a 4-day event which in FY 95 was held at the Pennsylvania Convention Center and attended by approximately 30,000 women. The health exhibition had its own staging area featuring a different physician speaker, health screening or demonstration every half-hour for the entire 4 days, covering a wide variety of topics. Additional features included Mobile Mammography, "The Doctor Is In", an advice booth answering health questions, PRO-HEALTH sign-ups and referrals, lectures, screenings, and other give-aways and interactive events. The AHERF booth won First Place for Health Care Exhibits in 1995.

#### **PRO-HEALTH**

The Regional Health Services Referral Network for the Medical College of Pennsylvania and Hahnemann University Hospital System and St. Christopher's Hospital for Children. The referral network assists callers in locating physicians and health services to meet their needs. PRO-HEALTH maintains information about physician's locations, board certifications, insurance plans, procedures, office hours and more, to assist consumers in selecting a physician or hospital service to meet their needs.



Utilizing an integrated computer system, operators match patients with primary care and specialty care physicians, health screenings and seminars and various newsletters and literature about hospital programs and services. Operators assist callers in setting up their appointments.

The toll-free number, 1-800-PRO-HEALTH, is promoted to the community through various advertisements, brochures, events, newsletters and publications. In FY 95, over 14,000 callers were referred to system physicians, which resulted in approximately 1,000 referrals to primary care and specialty physicians.

#### **PUBLICATIONS FOR THE COMMUNITY**

Various publications with information on hospital programs and preventive health issues are mailed to consumers throughout the year from each of the hospitals. Examples are:

Elkins Park and Bucks County Hospitals send:

- a) Health Tips Postcards - a series of 4-6 postcards a year which provide Community Education Seminars and related health tips, such as healthy back awareness. They are sent to 50,000 people on the consumer action mailing list.
- b) Community Calendars listing programs and events offered by the hospitals are published twice a month in the *Bucks County Intelligencer*, the *Bucks County Courier Times*, and the *Times Chronicle*. Funded through the Community Department Budget, the calendars reach 8,200 residents in the Elkins Park area and 70,000 residents in Bucks County.

The "Healthy Woman" Newsletter of the Center for Women's Health of the Medical College of Pennsylvania Hospital is mailed free on a quarterly basis to more than 19,000 households in the area surrounding the center. It provides information about various aspects of women's health, including heart disease, menopause, exercise, nutritional needs, psychological health, cancer and other topics.

#### **SPEAKERS BUREAU**

Physicians and other health care professionals from the hospitals are available on request to speak to community groups on a variety of health-related topics ranging from nutrition and arthritis, to physical

rehabilitation.

#### **UNITY DAY**

Each August 20,000 visitors attend this annual African-American celebration in Center City Philadelphia through a health pavilion, sponsored by Health Partners. Among those, over 500 people receive information from the dozen AHERF employees staffing booths at the day-long event. Also available are the Mobile Mammography Unit, CPR demonstrations, various screenings, etc.

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ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
 EIN: 25-1481622

JUNE 30, 1995

Form 990, Part IV, Line 54, Investments - securities

**Description**

BOARD DESIGNATED INVESTMENT  
 CHARITY CARE FUND  
 ENDOWMENT MATCHING FUND  
 WORKERS COMPENSATION FUND  
 RESTRICTED ENDOWMENT

**Balance at  
 End of Year**

242,064  
 5,360,394  
 2,700,000  
 4,365,382  
 66,531,811

79,199,651

Form 990, Part IV, Line 56, Investments - other

**Description**

INVESTMENT - UNITED BANK  
 INVESTMENT - DHG  
 INVESTMENT - SCHOOL/PUBLIC HEALTH  
 INVESTMENT - MED SCIENCE LTD PTSHP  
 INVESTMENT - VHA  
 INVESTMENT - WHITNEY HOLDING  
 INVESTMENT - WHITEHALL  
 UNRESTRICTED ENDOWMENT  
 INVESTMENT - AHSPIC

**Balance at  
 End of Year**

30,000  
 5,167,079  
 252,612  
 1,000,000  
 76,500  
 359,700  
 9,763  
 32,069,874  
 120,000

39,085,528

Form 990, Part IV, Line 58, Other assets

**Description**

RECEIVABLE - OVHS&E  
 DUE TO/FROM AFFILIATES  
 CASH SURRENDER VALUE LIFE INSURANCE  
 DEFERRED EMPLOYEE BENEFIT

**Balance at  
 End of Year**

1,116,809  
 35,100,387  
 12,484,132  
 4,424,391

53,125,719

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ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
 EIN: 25-1481622

JUNE 30, 1995

Form 990, Part IV, Line 57, Land, Buildings, and Equipment

Description	Balance at End of Year
EQUIPMENT	28,305,907
Construction in Progress	<u>7,650,294</u>
	35,956,201
Less: Accumulated Depreciation	<u>(10,253,560)</u>
Net Land, Buildings, and Equipment	<u><u>\$25,702,641</u></u>

Depreciation is computed using the straight-line method over the various useful lives as prescribed by the AHA of hospital and related assets.

Depreciation expense for tax year ended JUNE 30, 1995 = \$4,073,811

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ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
 EIN: 25-1481622

JUNE 30, 1995

Form 990, Part IV, Line 62, Support and revenue designated for future periods

**Description**

DEFERRED VACATION EXPENSE

**Balance at  
End of Year**

618,230

Form 990, Part IV, Line 65, Other liabilities

**Description**

WORKMENS COMPENSATION LIABILITY - DV & PGH  
 ACCRUED INCENTIVE  
 DEFERRED EMPLOYEE BENEFITS  
 DEFERRED BENEFIT - PENSION

**Balance at  
End of Year**

16,769,203  
 2,462,545  
 4,712,319  
30,295,509

54,239,576

ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
FORM 990, SCHEDULE 70  
FOR THE YEAR ENDED JUNE 30, 1995

PART V LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES:

DIRECTORS:

NAME	TITLE	AVG. HOURS PER WEEK	COMPENSATION	EMPLOYEE BENEFITS	EXPENSE ACCT ALLOWANCES
Sherif S. Abdelhak	AHERF President & CEO	0	0	0	0
William F. Adam	Director	0	0	0	0
Harry G. Allyn, Jr.	Director	0	0	0	0
George Amrom	Director	0	0	0	0
Barbara F. Atkinson, M.D.	MCP Clinical Faculty Rep	0	0	0	0
Lee A. Barber M. D.	Director	0	0	0	0
J. David Barnes	Director	0	0	0	0
Iain Black, M.D.	SCHC ECMS Chairman	0	0	0	0
Ralph W. Brenner, Esq.	SCHC Chairman	0	0	0	0
Dorothy McKenna Brown Ed.D.	Director	0	0	0	0
Ronald R. Davenport	Director	0	0	0	0
Judith S. Eaton Ph.D.	Director	0	0	0	0
Leonard T. Ebert	Director	0	0	0	0
Harry R. Edelman, III	MCPHU Chairman	0	0	0	0
William H. Genge	Director	0	0	0	0
Ira J. Gumberg	Director	0	0	0	0
Teresa Heinz	Director	0	0	0	0
Robert M. Hernandez	Director	0	0	0	0
Stanley M. Marks, M.D.	Director	0	0	0	0
Joseph C. Maroon, M.D.	Director	0	0	0	0
Alfred W. Martinelli	Director	0	0	0	0
Leslie Anne Miller, Esq.	Director	0	0	0	0
Donna M. Murasko, Ph.D.	MCPHU Faculty Rep	0	0	0	0
Joseph Neubauer	Director	0	0	0	0
Francis B. Nimick, Jr.	Director	0	0	0	0
Chryss O'Reilly	Director	0	0	0	0
Robert B. Palmer	Director	0	0	0	0
David W. Sculley	AGH Chairman	0	0	0	0
J. Brandon Snyder	Director	0	0	0	0
W.P. Snyder, III	AHERF Chairman	0	0	0	0
Richard Spielvogel, M.D.	Director	0	0	0	0
Leon C. Sunstein, Jr.	Director	0	0	0	0
W. Bruce Thomas	Director	0	0	0	0
Margaret Gray Wood, M.D.	MCPHU Vice Chairman	0	0	0	0

OFFICERS AND KEY EMPLOYEES.

NAME	TITLE	AVG. HOURS PER WEEK	COMPENSATION	EMPLOYEE BENEFITS	EXPENSE ACCT ALLOWANCES
Sherif S. Abdelhak	President & CEO	40	979,068.25	237,688.49	0
Calvin Bland	Executive Vice President	0	0.00	0.00	0
Carol L. Calvert	Executive Vice President	0	0.00	0.00	0
Douglas D. Danforth	Vice Chairman	0	0.00	0.00	0
Joseph D. Dionisio	Assistant Treasurer	0	0.00	0.00	0
Lynn Isaacs	Assistant Secretary	0	0.00	0.00	0
Dwight Kasperbauer	Exec. V. P. & Chief HR Officer	40	513,657.75	127,549.35	0
Donald Kaye, M.D.	Executive Vice President	0	0.00	0.00	0
Michael P. Martin	Assistant Treasurer	40	170,000.00	39,030.60	0
David W. McConnell	EVP, CFO & Treasurer	40	558,823.15	152,842.32	0
Charles P. Morrison	Assistant Treasurer	0	0.00	0.00	0
Leonard L. Ross, Ph.D.	Provost, MCPHU	0	0.00	0.00	0
Anthony M. Sanzo	Executive Vice President	0	0.00	0.00	0
W.P. Snyder, III	Chairman	0	0.00	0.00	0
Stephen H. Spargo	Assistant Treasurer	0	0.00	0.00	0
Cherry S. White	Assistant Secretary	0	0.00	0.00	0
Nancy A. Wynstra	EVP, General Counsel & Secretary	40	554,603.00	134,744.62	0

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ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
 EIN: 25-1481622

Tax Year Ended: June 30, 1995

Form 990, Part VI, Question 80b

**Name**

**Exempt or  
Non-Exempt**

AGH Workers Compensation Fund  
 Allcare, Inc.  
 Allegheny General Hospital  
 Allegheny Health Services Providers Insurance Co.  
 Allegheny Integrated Health Group  
 Allegheny-Singer Research Institute  
 Allegheny United Hospitals  
 Diversified Health Group, Inc.  
 Eastnet, Inc.  
 Hahnemann Insurance Company  
 Hahnemann University Hospital  
 Hahnemann University Professional Liability Self-Insurance Trust Fund  
 Horizon Medical Corporation  
 The Medical College of Pennsylvania Self-Insurance Trust Fund  
 SDN, Inc.  
 St Christophers Hospital for Children  
 The Medical College of Pennsylvania and Hahnemann University  
 The Medical College of Pennsylvania and Hahnemann University Hospital System

Exempt  
 Inactive  
 Exempt  
 Exempt  
 Exempt  
 Exempt  
 Exempt  
 Non-Exempt  
 Exempt  
 Exempt  
 Exempt  
 Exempt  
 Exempt  
 Inactive  
 Exempt  
 Exempt  
 Exempt



ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
EIN: 25-1481622

STATEMENT 12

JUNE 30, 1995

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Form 990, Part VII, Other Revenue

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OTHER REVENUE	BUS. CODE	AMOUNT	EXCL CODE	AMOUNT
CORPORATE REVENUE - OVHS&E	8745	934,082		105,783
OTHER MISCELLANEOUS REVENUE				
		<u>934,082</u>		<u>105,783</u>